REMARKS

Claims 1, 3-25 and 38-47 are pending.

Claim 47 is new.

Claims 1, 8, 14, 39, 41, 43, and 44 are amended.

Claims 2, and 24-25 are canceled.

Claims 1, 3-23 and 38-46 are rejected by the Examiner.

Claim Amendments

Claim 47 is new. Claims 1, 2, 8, 14, 39, 41, 43, and 44 are amended. Support for the amendments may be found in the application as filed, for example, on pages 19-23, and 30-31. No new matter has been added.

Claim Rejections under 35 USC 103(a)

Claims 1, 3-17 and 22-23 are rejected under 35 USC 103(a) as being unpatentable over Crawford in view of "Data Security Harmed by Blissful Ignorance" published in Insurance Account on April 12, 1999 (Page 1, Volume 1, Number 11) and in further view of Schuler (US Patent No. 5,855,005). Claims 18-21 are rejected under 35 USC 103(a) as being unpatentable over Crawford in view of Insurance Accountant in view of Schuler and in further view of "Disaster Protection: Insurers Will Rescue Only What You Protect." by Ian Cheeseman (referred to as Cheeseman). Claims 38-46 are rejected under 35 USC 103(a) as being unpatentable over Crawford in view of Schuler.

The Applicants traverse these rejections on the grounds that the following limitations, *inter alia*, are clearly not found within the prior art of record and that the claims should thus be in allowable form:

- *Repeatedly reporting* on a status or performance of the technical protection service [independent claims 1 and 8] or *repeatedly adjusting* the premium for the data / presence insurance coverage during a term of a data / presence insurance policy [independent claim 14] are NOT suggested by the references. Neither the Schuler nor Cheeseman references teach such limitations. Furthermore, the Insurance Accountant reference suggests against any repeated inspections or audits due to the high cost.

- *Dynamically adjusting* an insurance premium in response to a monitored result of a technical protection service [claims 39, 41, 43, and 44] is NOT suggested by the references.
- *Determining an exposure period* [independent claim 38] where the time period is defined as occurring between a time a data change occurs on the local data volume and a time the data change occurs on the remote data volume is NOT suggested by the references.

A. *The references do not suggest repeated reporting*

Independent claim 1 as amended includes "repeatedly reporting the performance of the technical protection service to the insurer during performance of the contract for the data / presence insurance." Independent claim 8 includes a similar element.

The Examiner acknowledged that periodically reporting performance of the technical protection service to an insurer was not taught by Crawford and Insurance Accountant. Office Action, p.4. (Note: the term "periodically" has been amended to repeatedly in claim 1.) The Examiner cited Schuler for this element. At best, the cited section of Schuler only discloses an audit either when an insurance policy is quoted, i.e. before it is issued, or when the policy is up for renewal, i.e. the end of the policy. Schuler, col. 1, ll. 25-29. Nothing suggests performing the audit of Schuler *during* the performance of the contract for the data / presence insurance.

Even if the audit of Schuler is interpreted as during the performance of the contract for the data / presence insurance, that audit is not performed "repeatedly" as in claim 1. In fact, ¶8 of Insurance Accountant states that it costs more than a year's premium to see what a prospective customer must do to become insurable. Such a year's premium "could easily run into six figures." This high cost of an assessment suggests that any assessment or audit would not be performed more than once.

The Examiner is reminded that "repeatedly" is defined as more than once. Thus, during the time of the performance of the contract for the data / presence insurance, multiple reports on the performance of the technical protection service are provided to the insurer. Only one audit is mentioned in Schuler and, as described above, Insurance Accountant suggests against multiple assessments. Hence, the combination of the references does not suggest "repeatedly reporting the performance of the technical protection service to an insurer during performance of the contract for the data / presence insurance," as recited in claim 1.

Accordingly, the combination of Crawford, Insurance Accountant, and Schuler does not teach or suggest each and every element of independent claims 1, 8, and dependent claims 3-7, and 9-13.

B. The references do not suggest repeated adjustment of the premium during the performance of the data / presence insurance

Claim 14 includes "repeatedly adjusting the premium for the data / presence insurance coverage in response to an actual result of the technical protection service after contracting for the data / presence insurance and during performance of the contract for the data / presence insurance." Thus, within the term of the contract, the premium is adjusted multiple times in response to the actual result of the technical protection service.

As described above, there is no repeated reporting of the results of the technical protection service. Thus, there can be no suggestion of repeated adjustment of the premium on non-existent data.

Furthermore, even if there is a reporting of the results of the technical protection service, there is no suggestion in the references for "repeatedly adjusting the premium in response to an actual result of the technical protection service during performance of the contract for the data / presence insurance." For example, Schuler changes a premium when the term of the policy is to be renewed. At best, it is changed only once. Cheeseman mentions that premiums can be reduced, but does not indicate a time period. As described above, Insurance Account suggests against having repeated adjustments because of the high costs of audits.

As a result, the combination of Crawford, Insurance Accountant, Schuler, and Cheeseman does not teach or suggest each and every element of independent claim 14, and dependent claims 15-23.

C. Exposure period based on a data change time is not suggested by the references

Claim 38 includes "determining an exposure period, the exposure period based on a time period between a time a data change occurs on the local data volume and a time the data change occurs on the remote data volume, and calculating an insurance premium using the exposure period." The Examiner noted that Crawford does not teach these elements.

In the rejection of claim 38, the Examiner cites Schuler col. 1, ll. 27-32. This section describes the desirability of an audit and the use of an audit to adjust an insured's premium.

However, neither an audit nor is a time period between audits is "a time period between a time a data change occurs on the local data volume and a time the data change occurs on the remote data volume" as recited in claim 38.

In addition, the Examiner cited Schuler col. 4, ll. 43-47. This section further defines an audit as gathering financial information. Only the financial information in Schuler is described as contributing to an exposure value. See Schuler, col. 9, ll. 22-65. Financial information is not "a time period between a time a data change occurs on the local data volume and a time the data change occurs on the remote data volume" as recited in claim 38.

Even in Crawford, the reference the Examiner is using to show establishing and updating a remote data volume, there is no mention of "a time period between a time a data change occurs on the local data volume and a time the data change occurs on the remote data volume" as recited in claim 38. The Examiner is reminded that a judgment on obviousness is proper so long as it takes into account only knowledge which was within the level of ordinary skill in the art at the time the claimed invention was made and does not include knowledge gleaned only from the applicant's disclosure. See MPEP 2145 X. A. Such reliance is impermissible hindsight. Although the elements of claim 38 may appear to the Examiner in hindsight to be obvious, the Applicant believes that they are not and requests that the Examiner provide a reference describing such factors.

Accordingly, the addition of Schuler to Crawford does not cure the deficiencies of Crawford. There is no suggestion in the combination to use "a time period between a time a data change occurs on the local data volume and a time the data change occurs on the remote data volume" as recited in claim 38 to calculate an insurance premium. As a result the combination of Crawford and Schuler does not teach or suggest each and every element of independent claim 38 and dependent claims 39-46.

D. Monitoring and dynamically adjusting an insurance premium is not equivalent to auditing and adjusting premium

Claim 39 includes monitoring a data change rate between the local data volume and the remote data volume, the data change rate indicating a rate at which data changes are transmitted to the remote data volume, and dynamically adjusting the insurance premium in response to the data change rate as the data change rate changes during a coverage period of the insurance.

Claims 41, 43, and 44 include similar monitoring of a parameter and dynamic adjustment of the insurance premium as that parameter changes.

"Monitoring a data change rate" in claim 39 is not equivalent to auditing as cited in Schuler. Case law is fairly specific on how claim language is to be interpreted during prosecution. "Words in a claim are generally given their ordinary and accustomed meaning unless the inventor chooses to be his own lexicographer in the specification." *Lantech, Inc. v. Keip Mach. Co.*, 32 F.3d 542, 547, 31 USPQ2d 1666, 1670 (Fed. Cir. 1994). "In examining a patent claim, the PTO must apply the broadest reasonable meaning to the claim language, taking into account any definitions presented in the specification." *In re Yamamoto*, 740 F.2d 1569, 1571, 222 USPQ 934, 936 (Fed. Cir. 1984). The Federal Circuit cautions, however, that the PTO is not to erroneously construe the claims (as was the case in *Baker Hughes*) where such construction was "beyond that which was reasonable in light of the totality of the written description." *In re Baker Hughes, Inc.*, 215 F.3d 1297, 55 USPQ2d 1149 (Fed. Cir. 2000).

The Examiner has committed the same error as noted in the *Baker Hughes* case by applying a definition to "monitoring" in claim 39 that is beyond that which is reasonable in light of the totality of the written description. The Examiner appears to be equating "monitoring a data change rate" of claim 39 with auditing an insured.

Insurance Accountant describes a term for data security insurance that is on the order of a year. See ¶8 and 14. If the audit of Schuler is performed when an insurance policy is renewed, then it is performed once a year.

In contrast, file copying and data mirroring are examples of technical protection services. Examples of exposure periods during which data change rates are calculated include 24 hours and 5 minutes. See specification, pp. 19, and 24-25. Thus, monitoring as used in the data change rate context occurs on the order of seconds, minutes, and days, not years. By interpreting the "monitoring" of claim 39 as auditing, the Examiner is interpreting it beyond that which is reasonable in light of the totality of the written description.

Furthermore, the "dynamic adjusting of the insurance premium in response to the data change rate" in claim 39 further refines the meaning of monitoring as used in claim 39. In order to dynamically change the insurance premium as the data change rate changes, the monitoring of the data change rate must occur at a frequency closer to a frequency of the changes in the data change rate than the term of the insurance policy. One adjustment of the insurance premium

during a year long term cannot be interpreted as "dynamically adjusting the insurance premium as the data change rate changes," as recited in claim 39. At best, the Crawford, Schuler, Insurance Accountant, and Cheeseman suggest setting or changing an insurance premium before the policy is issued, or when the policy is renewed. None of the references suggest the dynamic adjustment of the insurance premium.

Accordingly, the combination of Crawford, Schuler, Insurance Accountant, and Cheeseman do not suggest each and every element of claims 39, 41, 43, 44, and dependent claim 40.

E. The references do not suggest limiting coverage based on data change rate

Claim 40, dependent on claim 39, includes "limiting coverage for loss of data changes from the local data volume if the data change rate increases above a predefined threshold." The Examiner noted that Crawford and Schuler did not teach this element.

The Examiner cited Cheeseman to suggest this element. In particular, the Examiner appears to refer to the reduction in premium due to money spent on disaster prevention. Cheeseman, Abstract. However, the element of claim 40 is directed towards "limiting coverage", not reducing a premium for that coverage. Even with the addition of Cheeseman to Crawford and Schuler, the combination still does not suggest a "data change rate", a "predefined threshold" for the data change rate, or "limiting of coverage for loss of data changes if the data change rate increases above the predefined threshold," As recited in claim 40. Accordingly, the combination does not suggest each and every element of claim 40.

F. The references do not suggest adjusting an insurance premium using multiple time periods within the term of the insurance policy that are on the order of one day or less

Claim 47, dependent on claim 14, includes "monitoring the actual result of the technical protection service over a current time period within a term of the data / presence insurance and adjusting the premium for the data / presence insurance coverage for a subsequent time period within the term of the data / presence insurance in response to the actual result of the technical protection service during the current time period." Thus, both the current time period and the subsequent time period are within the term of the data / presence insurance. The premium for the subsequent time period is adjusted using the result of the technical protection service during the

current time period. Furthermore, in claim 47, "the current time period and the subsequent time period mutually exclusive and are each less than one day."

The Examiner noted with respect to claim 14 that Crawford and Insurance Accountant do not suggest adjusting the premium. In Schuler, if there is any adjustment of a premium, it is for another term, i.e. it is for the renewed term, not for the current term of the data / presence insurance. Schuler, col. 1, ll. 27-32. In contrast, the both the current time period and the subsequent time period are within the same term of the data / presence insurance.

Furthermore, none of the references suggest that the current period and the subsequent period are mutually exclusive and within the same term. For example, in Schuler, for the current period and the subsequent period to be within the term of the insurance, the subsequent time period must be during the time after the audit, but before the renewal of the insurance policy. Thus, the premium must be adjusted for some period of the remainder of the term after the audit, but before the renewal. Schuler only suggests a new premium for the renewed term.

Accordingly, the combination does not suggest each and every element of claim 47.

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Conclusion

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For the foregoing reasons, allowance of claims 1, 3-23 and 38-46 is requested. The Examiner is encouraged to telephone the undersigned at (503) 222-3613 if it appears that an interview would be helpful in advancing the case.

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Respectfully submitted,

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